A2500-2

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol.68 No.6 JUNE 1990

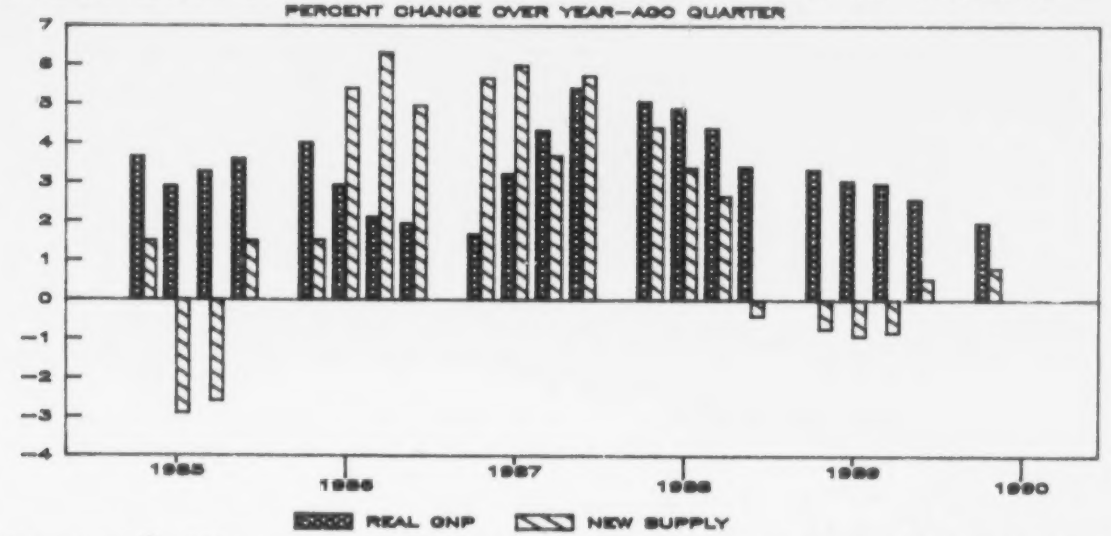
PAPER AND PAPERBOARD PRODUCTION CONTINUES ALONG ITS RECORD-HIGH PATH

The seasonally-adjusted rate of paper and paperboard production in the January-May 1990 period averaged 77.7 million tons per year, 1.7% above its January-May 1989 rate and more than a million tons over the level for all of 1989. The larger gains were shown in the paper grades, which rose 2.8%. Paperboard production also rose to new highs, with a more moderate 0.5% advance.

Imports of paper, paperboard and products advanced at a moderate pace during the first four months of 1990, with the January-April total only 4.2% ahead of their comparable 1989 rate. Over the same time period, exports expanded nearly three times as fast, rising 11.4% Throughout 1988 and most of 1989, however, exports were growing much faster than this, resulting in a downtrend in new supply (production plus imports less exports). New supply turned upward in the fourth quarter of 1989, and continued up in the first quarter of 1990. At the same time, the rate of growth in the real gross national product (real GNP) slowed, edging new supply increases closer to the rate of the economy's expansion as indicated by real GNP.

The chart below shows the per cent change over year-ago rates for real GNP and paper and paperboard new supply. It highlights the faster expansion of new supply from the second quarter of 1986 through the fourth quarter of 1987, and the subsequent reversal of this pattern.

REAL GNP & NEW SUPPLY OF PAPER & PA'BRD



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Paper: The strength in newsprint production continues to lead the paper grades, helping to sustain the rate of paper production at record-high levels. Newsprint production itself averaged 6.5 million tons per year in January-May 1990, 9.1% above its year-ago rate. Although shipments from domestic mills rose 10.8% and those from Canada to the U.S. rose 1.7%, newsprint consumption estimates remained flat, at 13.6 million tons per year, while publishers continued to keep newsprint inventories at a relatively low 40 days of supply. The data suggest some diversion to non-newspaper uses.

Printing-writing paper shipments are also contributing to the growth in paper production, rising 3% from January-May 1989 to the comparable 1990 period. New orders for the major printing-writing grades were well ahead of their comparable 1989 rates, with weekly data for June showing still further gains. Unfilled orders were generally well ahead of their year-ago levels as of the end of May 1990, with the backlog of uncoated free sheet papers up 51%.

Among the other paper grades tissue paper production moved to a new high of 5.73 million tons per year, 2.4% over its year-ago rate. Shipments of unbleached kraft papers fell sharply below their comparable 1989 figures, reflecting weakness in both grocers and multiwall bag papers. Shiments of bleached kraft papers, which are presently included in the "other paper" total, advanced nearly 6% in this period, largely the result of gains in the wrapping and other converting grades.

Paperboard: Linerboard production for domestic use was exactly even with its January-May 1989 level, with weakness in the smaller bleached and recycled linerboard grades offset by a 0.9% increase in unbleached kraft linerboard. Total production of containerboard for domestic use advanced 0.3% from its January-May 1989 output, compared to a 0.9% gain in fiber box shipments.

Exports are offering strong support to the production totals. Year-to-date containerboard production for export -- linerboard plus corrugating medium -- surged 8.2%, bringing these exports to 10% of total containerboard production compared to 9% in the year-ago period.

Asia and Latin America rely heavily on the United States for their containerboard. Data from the Kraftliner Manufacturers Institute indicate that in the first quarter of 1990 Asia received close to 90% of its kraft linerboard imports from the U.S. while about 35% of our exports of kraft linerboard was sent to Asia. Latin America obtained virtually all of its kraft linerboard imports from the United States.

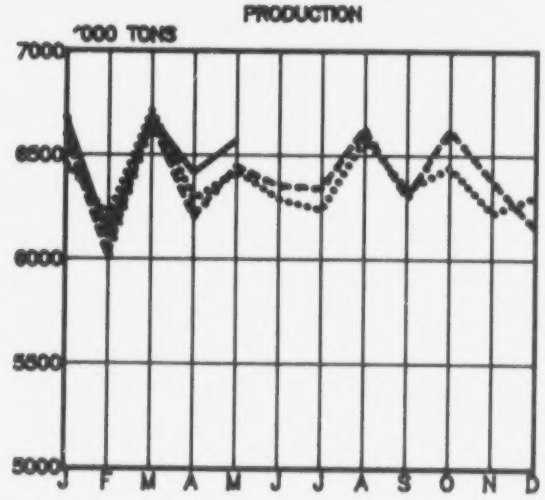
Although total recycled paperboard production was off 1.5% from its comparable 1989 rate, production of recycled corrugating medium -- which accounted for 23.8% of total corrugating medium production in the 1989 period -- ran 6% above its January-May 1989 pace to bring the ratio to 24.9% of the total.

Gains in total boxboard production for export continue to hold total boxboard production close to its 1989 pace. Some shift in demand from bleached folding boxboard to recycled folding boxboard has been evident, facilitating the steadiness in recycled boxboard

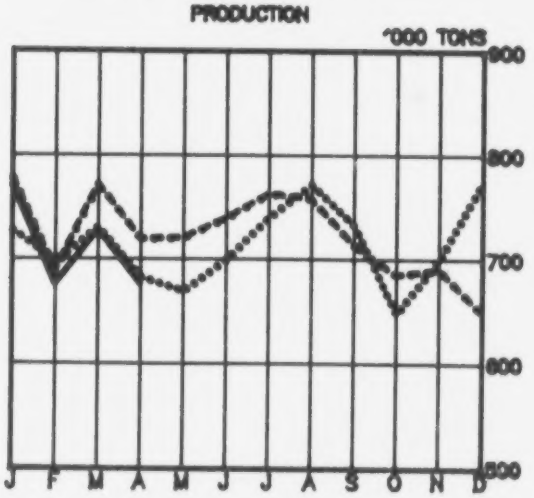
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR 1988	YEAR 1989	FEB 1990	MAR 1990	APR R 1990	MAY P 1990	Annual Rate Y-T-D 1990	% Change From Same Period Last Year
PAPER								
Newsprint – Production	5,982	6,088	510	543	541	545	6,460	9.1
– Shipments	5,969	6,079	515	543	544	553	6,488	10.8
Printing & Writing: Total Shipments	21,857	21,540	1,780	1,895	1,820	1,835	22,228	2.8
Groundwood Paper – Shipments	1,824	1,754	142	150	155	144	1,794	3.5
– New Orders	1,854	1,784	150	126	129	163	1,751	2.4
– Unfilled Orders	208	211	200	186	147	167	167	-9.8
Coated Papers – Shipments	7,359	7,194	578	614	567	621	7,257	3.5
– New Orders	7,412	7,262	531	643	656	615	7,334	6.3
– Unfilled Orders	751	822	622	658	747	747	747	7.6
Unctd Free Sheet – Shipments	11,277	11,043	930	983	971	938	11,562	2.3
– New Orders	11,296	11,132	965	1,035	990	967	11,802	8.7
– Unfilled Orders	790	784	696	765	757	816	816	51.0
Thin Papers – Shipments	281	245	21	26	23	22	274	6.0
Cotton Fiber Paper – Shipments	167	157	14	15	13	14	166	-0.9
Bleached Bristols – Shipments	1,150	1,148	96	106	92	95	1,175	1.4
Tissue Paper – Production	5,476	5,636	452	500	467	494	5,726	2.4
Total Packaging & Other Paper	5,047	4,925	363	392	378	406	4,665	-4.5
Unbl. Kraft Paper – Shipments	2,800	2,681	185	196	187	206	2,372	-10.8
Other Paper – Production	2,247	2,243	178	196	191	200	2,292	3.2
TOTAL PAPER PRODUCTION – UNADJUSTED	38,363	38,189	3,105	3,329	3,207	3,279	39,079	2.8
TOTAL PAPER PRODUCTION – SEAS ADJ			3,283	3,181	3,271	3,303	39,158	2.8
PAPERBOARD – PRODUCTION								
Containerboard	26,225	26,428	2,052	2,302	2,200	2,282	26,689	1.0
Cont'bd For Dom Use for Fibre Boxes	23,563	23,752	1,819	2,039	1,977	2,015	23,704	0.3
Total Linerboard	16,177	16,399	1,248	1,409	1,359	1,373	16,269	0.0
Unbleached Kraft	15,601	15,833	1,224	1,366	1,325	1,335	15,841	0.9
Solid Bleached	170	178	8	14	11	9	133	-22.9
Recycled	407	388	16	28	24	30	294	-25.3
Corrugating Medium	7,351	7,339	570	629	618	640	7,425	1.2
Semichemical	5,528	5,554	419	472	456	483	5,536	-0.4
Recycled	1,823	1,785	152	157	162	158	1,890	5.9
Container Chip and Filler	35	14	1	1	0	1	10	-33.8
Other Containerboard for Dom Use	320	307	18	26	22	33	294	-5.3
Containerboard for Export	2,342	2,369	215	237	201	234	2,691	8.2
Boxboard	11,878	12,029	946	1,050	1,002	1,007	12,080	-0.2
Boxboard for Packaging for Dom Use	7,014	7,076	550	614	577	592	7,044	-0.7
Folding Boxboard	5,293	5,370	413	466	415	440	5,252	-2.3
Solid Bleached	2,017	1,960	152	165	147	158	1,880	-3.6
Unbleached Kraft	924	987	74	86	72	83	943	-4.1
Recycled	2,353	2,403	187	215	196	199	2,429	-0.6
Set-up Boxboard for Dom Use	279	288	26	27	29	27	327	9.0
Milk Carton & Food Service Dom Use	1,442	1,419	111	122	133	124	1,465	3.3
Other Boxboard for Domestic Use	4,075	4,089	313	348	338	340	4,045	-3.4
Boxboard for Export	789	863	83	87	87	75	991	21.1
Paperboard Production by Furnish	38,103	38,456	2,998	3,352	3,202	3,289	38,769	0.6
Unbleached Kraft	19,140	19,490	1,536	1,715	1,627	1,683	19,796	1.7
Semichemical	5,664	5,691	430	485	466	499	5,688	-0.3
Solid Bleached Kraft	4,511	4,521	356	388	378	366	4,491	1.2
Recycled	8,788	8,754	677	763	731	741	8,794	-1.5
Paperboard Production for Export	3,132	3,232	298	324	288	309	3,682	11.3
Unbleached Kraft	2,296	2,363	220	238	208	232	2,717	10.6
Semichemical	136	138	12	13	10	16	153	1.4
Bleached Kraft	628	693	64	69	65	56	764	15.5
Recycled	72	38	2	4	4	5	48	22.0
TOTAL PAPERBOARD PRODUCTION – UNADJ	38,103	38,456	2,998	3,352	3,202	3,289	38,769	0.6
TOTAL PAPERBOARD PROD – SEAS ADJ			3,185	3,220	3,266	3,188	38,554	0.5
PAPER AND PAPERBOARD – UNADJ	76,466	76,646	6,103	6,681	6,409	6,568	77,849	1.7
PAPER AND PAPERBOARD – SEAS ADJ			6,467	6,401	6,537	6,492	77,712	1.7

R – Revised P – Preliminary Seas. Adj. – Seasonally Adjusted Unadj – Not Seasonally Adjusted

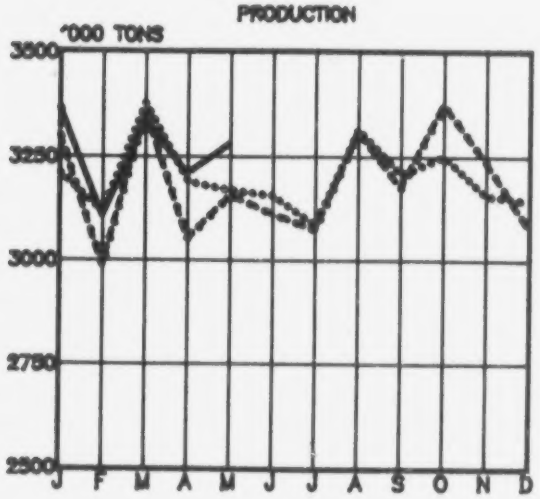
TOTAL PAPER AND PAPERBOARD
PRODUCTION



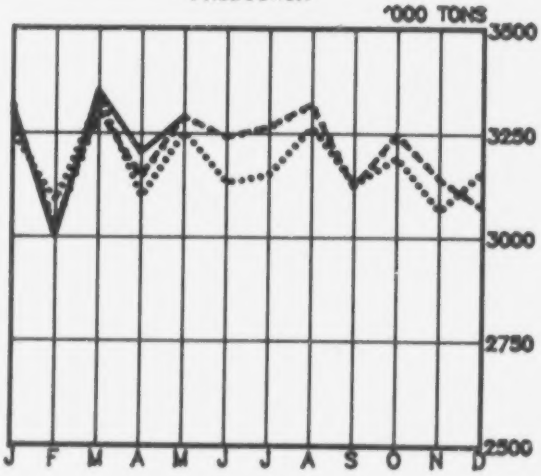
MARKET WOOD PULP
PRODUCTION



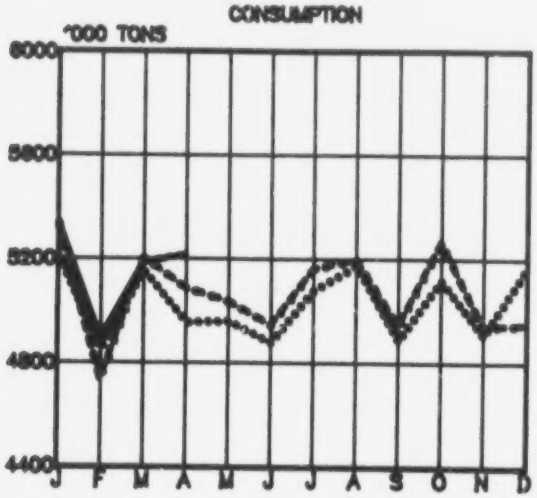
TOTAL PAPER
PRODUCTION



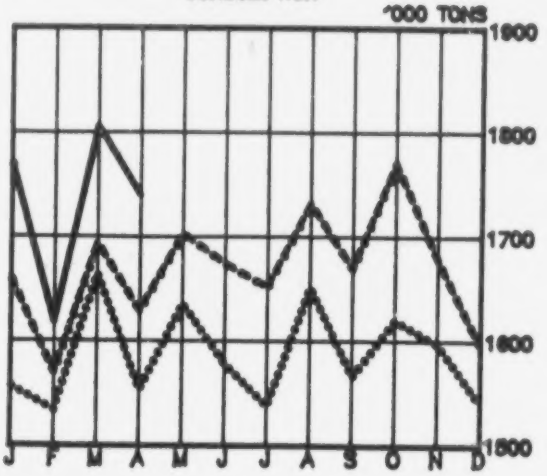
TOTAL PAPERBOARD
PRODUCTION



TOTAL WOOD PULP
CONSUMPTION



TOTAL WASTE PAPER
CONSUMPTION



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WOOD PULP STATISTICS (Thousands of Tons)			YEAR 1988	YEAR 1989	JAN 1990	FEB 1990	MAR R 1990	APR P 1990	Annual Rate Y-T-D 1990	% Change From Same Period Last Year
TOTAL WOOD PULP										
Total Wood Pulp	Production		61,161	61,998	5,480	4,988	5,272	5,253	62,976	1.2
	Imports	A	5,038	5,005	413	425	429	418	5,052	-1.6
	Exports		5,528	6,231	420	410	578	538	5,838	-7.8
	New Supply		60,671	60,772	5,473	5,002	5,123	5,132	62,190	1.9
Dissolving Pulp	Production		1,367	1,425	125	89	123	98	1,303	-8.7
	Imports		248	284	17	20	23	15	226	-26.5
	Exports		865	836	58	52	71	71	756	-9.2
	New Supply		751	873	85	57	74	42	773	-14.3
Paper Grades	Production		49,493	50,181	4,418	4,050	4,275	4,222	50,893	0.8
Chemical Pulp	Imports	A	4,419	4,370	372	368	373	371	4,453	-1.7
	Exports		4,612	5,325	357	355	503	460	5,024	-7.3
	New Supply		49,300	49,226	4,434	4,063	4,145	4,133	50,321	1.5
Groundwood and	Production		5,943	6,029	548	509	509	538	6,310	6.9
Thermo-Mech	Imports	A	371	351	23	37	33	31	374	25.6
	Exports		51	70	6	3	3	8	58	-29.4
	New Supply		6,263	6,309	566	543	539	561	6,625	8.3
Semi-Chemical	Production		4,358	4,363	389	340	365	396	4,470	0.8
	Imports									
	Exports									
	New Supply		4,358	4,363	389	340	365	396	4,470	0.8
MARKET WOOD PULP										
Total Market	Production		8,565	8,664	770	675	727	675	8,537	-3.6
Wood Pulp	Imports		3,471	3,340	266	260	249	263	3,116	-6.1
	Exports		5,071	5,310	311	434	508	446	5,097	-4.1
	New Supply		6,966	6,694	725	501	468	492	6,556	-4.5
Dissolving Pulp	Production		1,365	1,422	125	89	122	97	1,302	-8.5
	Imports		206	210	7	17	18	8	148	-33.0
	Exports		798	821	64	53	75	59	751	-8.7
	New Supply		774	810	68	53	65	47	699	-14.9
Paper Grades	Production		7,200	7,242	645	585	605	577	7,235	-2.7
Chemical Pulp	Imports		3,126	3,072	257	242	229	254	2,947	-2.8
	Exports		4,273	4,489	247	381	433	387	4,346	-3.2
	New Supply		6,052	5,825	654	446	401	444	5,837	-2.3
Groundwood Pulp	Production		0	0	0	0	0	0	0	0.0
and All Other	Imports		139	58	2	2	2	1	20	-69.3
	Exports		0	0	0	0	0	0	0	0.0
	New Supply		139	58	2	2	2	1	20	-69.3

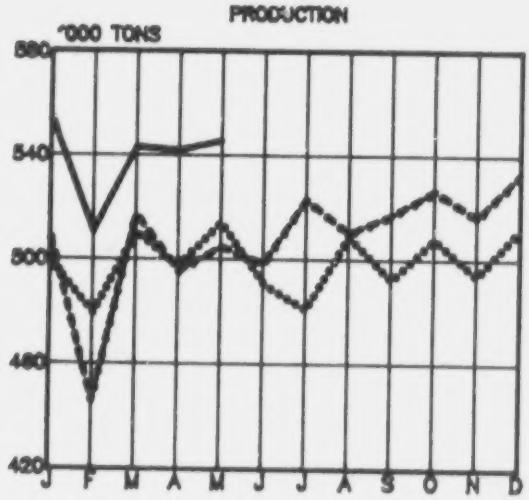
SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports – Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports – Department of Commerce.
NOTE: A – API shifted import data from January 1989 to December 1988 to compensate for misallocation of reported data.

FIBROUS RAW MATERIALS (Thousands of tons)	YEAR 1988	YEAR 1989	JAN 1990	FEB 1990	MAR R 1990	APR P 1990	Annual Rate 1990	% Change From Same Period Last Year
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	79,315	80,737	7,098	6,504	6,986	6,950	82,611	2.5
Total Wood Pulp	60,294	60,727	5,330	4,887	5,181	5,211	61,827	1.4
Waste Paper	19,021	20,010	1,768	1,617	1,805	1,739	20,783	5.8
INVENTORIES								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	172	190	192	215	202	196	196	3.2
Producers' Market Inventories	261	306	518	531	487	454	454	48.4
Consumers' Purchased Inventories #	622	596	539	542	475	431	431	-27.7
Waste Paper at Paper & Bd. Mills	1,044	1,064	1,107	1,054	1,031	1,006	1,006	-5.5
Days of Supply at Pulp Mills of								
Chemical Paper Grade Mkt Pulp	14	15	30	29	26	22	22	46.7

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
Includes all grades of wood pulp
P – Preliminary; R – Revised; (0) – Indicates zero to five-hundred short tons

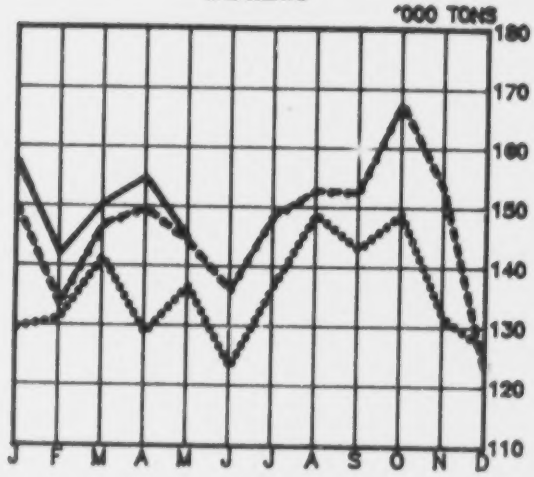
NEWSPRINT

PRODUCTION



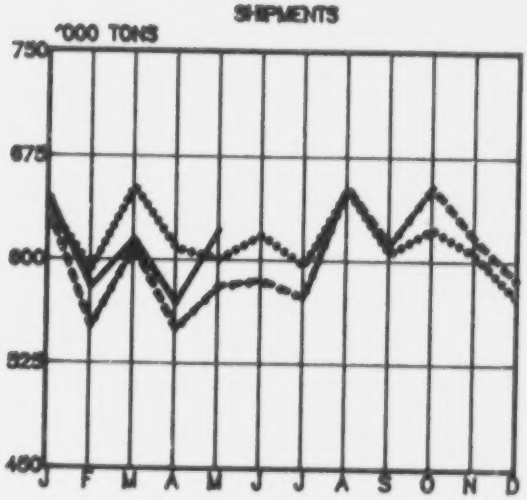
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



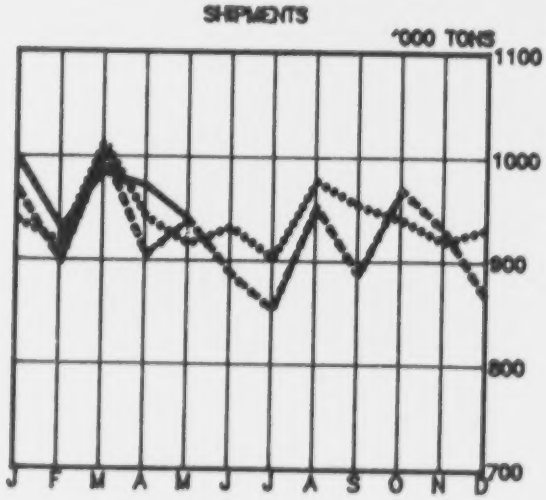
COATED PAPER

SHIPMENTS



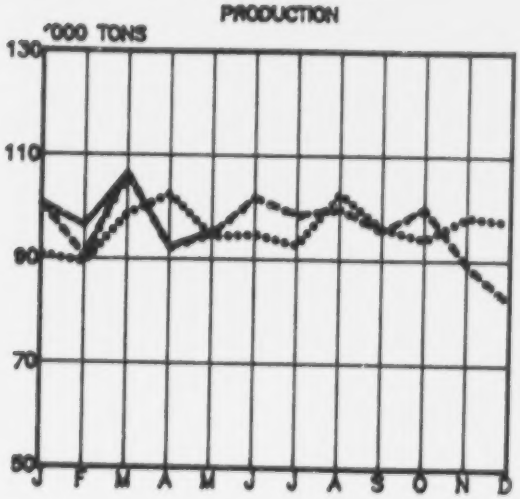
UNCOATED FREE SHEET PAPERS

SHIPMENTS



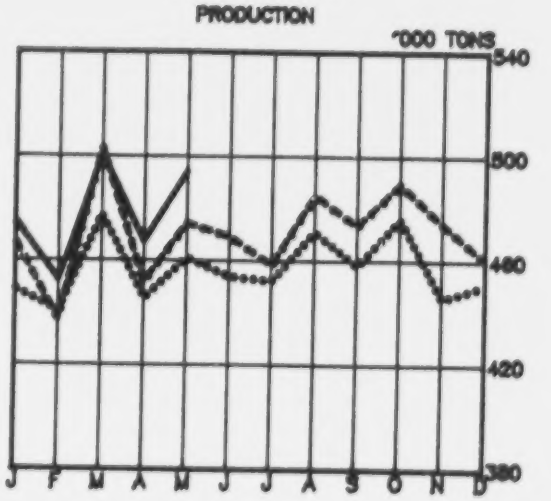
BLEACHED BRISTOLS

PRODUCTION



TISSUE PAPER

PRODUCTION



1988 ••••••• 1989 -·-·-·-1990 ———

FIBROUS RAW MATERIALS (Thousands of Standard (128 Cu. ft.) Cord	YEAR 1988	YEAR 1989	JANUARY 1990	FEBRUARY 1990	MARCH 1990	APRIL 1990	ANNUAL RATE Y-T-D 1990	% CHANGE FROM SAME PD LAST YEAR
PULPWOOD								
Total U.S. – Total Receipts	95,537	99,279	8,741	8,215	8,260	8,138	100,062	4.0
– Total Consumpt	95,497	98,414	8,553	8,108	8,341	8,260	99,756	2.6
– Residues *	33,186	34,539	3,100	2,854	2,927	3,063	35,532	6.9
– Inventories	4,888	5,462	5,571	5,597	5,433	5,209	5,209	18.3
So. Atlantic – Total Receipts	31,582	31,982	2,885	2,691	2,780	2,759	33,345	5.5
– Total Consumpt	31,567	32,239	2,783	2,638	2,750	2,763	32,796	1.8
– Residues *	9,897	9,981	1,015	877	924	921	11,211	12.8
– Inventories	1,200	936	1,000	1,017	1,035	1,048	1,048	8.7
Northeast – Total Receipts	7,187	7,242	692	649	588	526	7,359	-2.3
– Total Consumpt	7,216	7,072	639	591	607	648	7,455	0.3
– Residues *	1,664	1,575	127	126	126	126	1,512	-15.0
– Inventories	572	522	553	599	549	470	470	-11.8
South Central – Total Receipts	33,751	35,840	3,057	2,966	3,113	3,081	36,591	7.5
– Total Consumpt	33,646	35,791	3,064	3,019	3,077	2,927	36,281	5.6
– Residues *	9,890	10,539	924	919	936	996	11,326	13.6
– Inventories	1,160	1,336	1,304	1,172	1,221	1,223	1,223	15.3
North Central – Total Receipts	6,866	7,020	658	660	540	469	7,071	2.4
– Total Consumpt	6,929	6,963	631	571	596	596	7,179	2.9
– Residues *	1,334	1,422	112	104	108	118	1,326	-7.1
– Inventories	839	936	999	1,081	1,030	891	891	5.3
West – Total Receipts	16,152	17,196	1,419	1,249	1,241	1,323	15,696	-2.9
– Total Consumpt	16,136	16,349	1,436	1,291	1,312	1,328	16,096	-0.6
– Residues *	10,401	11,042	922	829	833	902	10,456	0.5
– Inventories	1,117	1,730	1,715	1,728	1,696	1,677	1,677	56.0

* – Consumption of Residues in cords equivalent

SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA		IMPORTS FROM CANADA * YEAR 1989 Tons	YEAR 1989 ($000)	MARCH 1990 Tons	MARCH 1990 ($000)	APRIL 1990 Tons	APRIL 1990 ($000)	ANNUAL RATE Y-T-D 1990 Tons	% CHANGE FROM SAME PD LAST YEAR
Pulpwood, Roundwood (in cubic meters)		211,061	4,582	0	0	0	0	0	-100.0
Pulpwood chips		792,186	27,339	57,947	1,864	63,466	1,856	899,337	-33.5
Wood Pulp, Total	A	4,353,343	2,596,247	393,121	239,833	367,266	219,484	4,561,313	0.0
Waste Fibrous Materials, Total		164,217	31,659	12,436	2,625	11,331	2,551	145,379	-26.5
Paper, Board & Products, Total	A	10,966,631	6,104,181	965,217	546,345	961,916	537,609	11,453,276	6.1
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	A	10,807,659	5,782,419	972,637	515,312	966,671	505,961	11,299,396	6.8
Paper, Paperboard & Products	A	10,830,546	6,055,466	976,848	543,682	972,461	536,029	11,342,262	7.1
Paper & Paperboard, Only	A	10,661,373	5,743,703	963,266	512,649	956,216	503,400	11,188,374	7.8
Paper, Total	A	10,234,256	5,579,018	919,584	496,025	908,066	484,112	10,702,907	7.9
Newsprint	A	8,330,674	4,278,706	721,848	361,186	722,726	361,759	8,483,697	3.7
Printing, Writing & Rel. Pap.	A	1,579,896	1,069,283	168,730	114,874	159,661	103,713	1,873,887	24.2
Pack. & Ind. Conv. Paper		217,159	119,140	19,863	11,170	15,693	8,936	214,222	-1.7
Special Industrial Paper		49,045	60,344	4,822	4,766	4,216	4,536	55,440	82.4
Tissue Paper		57,481	51,587	4,531	4,027	5,760	5,136	65,662	15.0
Paperboard, Total		417,117	184,885	43,665	16,623	48,160	19,268	485,466	28.0
Convtd Paper&Paperbd Products		179,172	321,782	12,580	31,033	16,245	31,628	153,879	-26.1
Wet Machine Board		293	246	143	125	51	45	963	362.5
Construction Paper & Board		155,993	38,472	9,226	2,536	9,404	2,535	110,060	-45.4

NOTE: A – API shifted import data from January 1989 to December 1988 to compensate for misallocation of reported data.

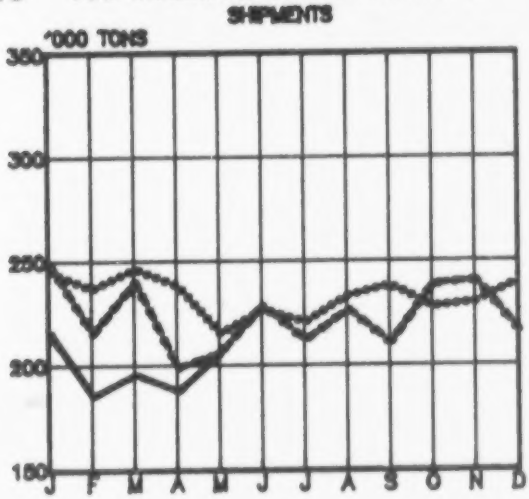
NOTE: 1990 EXPORT DATA NOT FULLY COMPARABLE WITH 1989'S.

	EXPORTS TO CANADA *							
Pulpwood, Roundwood (in cubic meters)	82,592	1,120	36,839	3,649	26,328	1,093	383,247	2003.9
Pulpwood chips	28,218	1,241	24,414	1,153	12,532	667	173,173	767.4
Wood Pulp, Total	352,896	141,272	31,414	16,391	31,912	15,268	389,776	30.3
Cotton Pulp & Other Pulp	6,216	4,249	466	547	472	459	4,266	-41.6
Waste Paper	284,379	38,555	54,085	9,918	49,979	8,791	595,483	89.5
Paper, Board & Products, Total	1,063,228	783,613	102,832	113,568	99,242	108,469	1,170,073	31.3
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	754,575	497,470	77,080	70,705	74,863	66,991	859,068	43.7
Paper, Paperboard & Products	1,062,590	755,810	102,472	113,446	99,060	108,346	1,166,482	34.0
Paper & Paperboard, Only	733,907	489,666	76,920	70,582	74,681	66,866	867,475	47.9
Paper, Total	371,206	340,312	46,369	51,594	41,879	48,326	523,372	88.7
Newsprint	8,316	6,891	1,726	946	1,650	1,011	20,275	239.3
Printing, Writing & Rel. Pap.	228,021	222,055	34,795	38,029	30,908	33,784	351,749	100.9
Pack. & Ind. Conv. Paper	65,390	29,624	4,060	2,966	3,536	2,454	49,120	10.0
Special Industrial Paper	62,645	72,955	4,813	5,407	4,467	7,862	59,347	-8.0
Tissue Paper	6,834	9,787	1,154	1,226	1,128	1,214	12,882	150.0
Paperboard, Total	362,701	148,356	30,551	18,958	33,002	20,543	364,103	25.7
Convtd Paper&Paperbd Products	328,853	266,143	25,552	42,883	24,379	41,478	281,007	3.2
Wet Machine Board	1,628	660	0	0	0	0	0	-100.0
Construction Paper & Board	19,040	7,143	180	123	182	124	1,591	-90.8

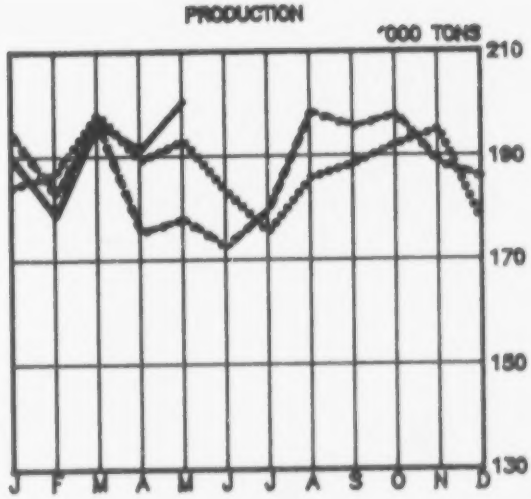
SOURCE: Bureau of Census, Department of Commerce .

E – Estimate of tonnage based on square foot data

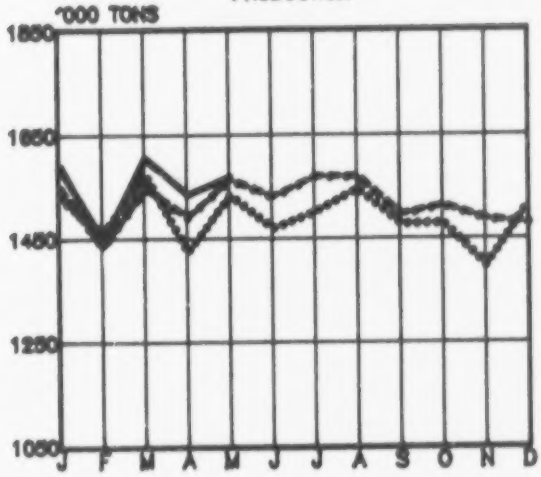
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER SHIPMENTS



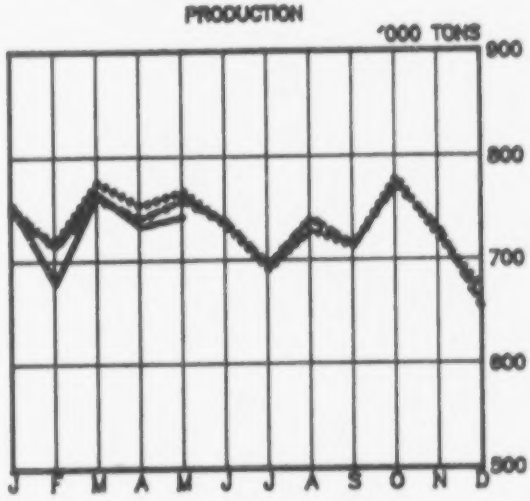
OTHER PAPER PRODUCTION



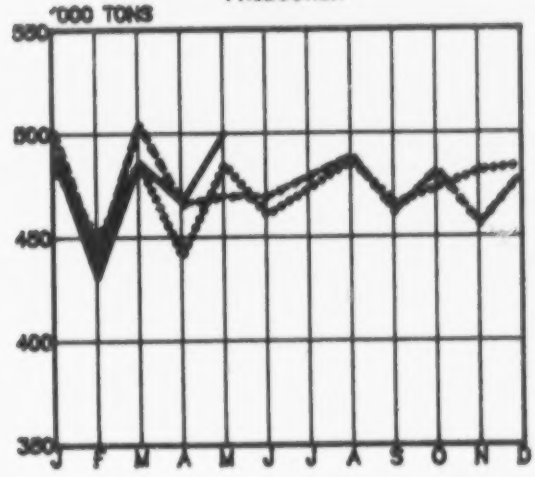
UNBLEACHED KRAFT LINERBOARD PRODUCTION



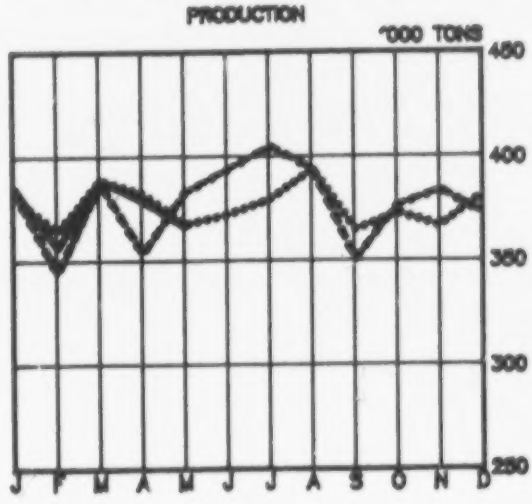
RECYCLED PAPERBOARD PRODUCTION



SEMICHEMICAL PAPERBOARD PRODUCTION



SOLID BLEACHED PAPERBOARD PRODUCTION



1988 ••••••• 1989 - - - - - 1990 ———

PULP, PAPER AND PAPERBOARD IMPORTS		YEAR 1990		MARCH 1990		APRIL 1990		Annual Rate YTD 1990	% Change from same Period
		Tons	$000	Tons	$000	Tons	$000	Tons (1)	Last Year
Pulpwood Roundwood (cubic meters)		211,061	4,562	0	0	0	0	0	-100.0
Pulpwood Chips		905,381	27,799	58,131	1,661	83,486	1,866	700,187	-33.9
Total All Imports	A	18,288,690	11,352,293	1,603,790	994,503	1,570,837	959,695	18,610,992	1.4
Wood Pulp Total	A	5,006,100	2,980,643	429,142	262,186	417,524	248,473	5,052,345	-1.8
Waste Paper		172,578	33,197	11,741	2,234	10,322	1,924	132,723	-38.2
Other Fibrous Materials		11,254	5,518	841	494	1,491	949	16,267	5.1
Paper Board & Products Total	A	13,099,931	8,329,906	1,162,056	729,586	1,141,500	707,343	13,409,558	3.2
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	A	12,537,474	7,231,648	1,125,710	644,083	1,102,422	624,272	12,985,470	5.0
Paper Ppbd & Prds ex Cnet&WMB	A	12,910,205	8,279,803	1,151,663	726,218	1,130,748	704,100	13,285,116	4.2
Paper & Paperboard Only	A	12,347,748	7,181,244	1,115,207	640,695	1,091,670	621,030	12,861,029	6.1
Paper Total	A	11,814,263	6,900,798	1,084,186	616,099	1,036,499	593,708	12,282,146	5.7
Newsprint	A	3,553,401	4,379,613	733,722	366,618	743,710	370,643	8,877,365	3.5
Printing & Writing	A	2,732,978	1,996,141	286,067	204,120	251,257	178,578	3,066,151	12.6
Uncoated Groundwood		1,304,114	817,786	131,123	79,731	113,225	69,763	1,333,933	2.4
Coated Print & Impreg. Pap	A	774,022	632,484	87,347	72,294	80,136	62,504	954,409	36.3
Uncoated Free Sheet	A	583,077	482,404	61,037	44,238	51,106	39,014	703,662	9.5
Thin (except Cigarette)		12,711	15,200	1,136	1,711	1,151	1,355	11,866	-14.5
Bristols		59,052	66,267	5,444	6,148	5,589	6,230	62,282	-2.6
Total Pkg & Other Paper		407,087	414,353	36,666	37,660	32,830	36,314	430,316	10.5
Unbleached Kraft Paper		239,903	116,011	20,337	10,102	17,049	8,337	227,118	-4.4
Other Pkg. & Indust. Paper		167,785	298,342	16,328	27,578	15,772	27,977	203,197	33.6
Tissue		120,797	110,691	8,194	7,501	8,703	7,675	108,315	-6.9
Paperboard, Total		533,486	290,449	51,040	24,667	55,171	27,222	678,883	15.4
Test or Containerboard		85,048	34,401	13,946	5,729	13,379	6,040	136,844	124.2
Semi-Chemical Corrugating		116,176	36,462	9,954	2,888	10,952	3,089	112,382	-12.7
Other Paperboard		330,262	209,584	27,140	16,089	31,141	18,213	330,657	5.9
Convtd Paper&Paperbd Products		562,457	1,098,256	36,346	85,523	39,077	83,070	424,084	-32.7
Paper Products, Total		470,471	924,739	28,356	70,305	29,856	66,577	326,786	-38.6
Paperboard Products, Total		91,986	173,529	7,990	15,218	9,223	16,494	97,303	-1.2
Wet machine Board		808	580	167	151	91	58	1,198	159.6
Construction Paper & Board E		186,118	48,824	10,336	3,217	10,891	3,184	123,243	-49.7
Notes									
Other: No Weight Avail. ($000)			136,624		10,842		9,710	110,774	0.3
Total Imports Incl. Other($000)			11,488,886		1,005,346		969,398	11,852,062	1.9

NOTE: A – API shifted import data from January 1989 to December 1989 to compensate for misallocation of reported data.

NOTE: 1990 EXPORT DATA NOT FULLY COMPARABLE WITH 1989'S.

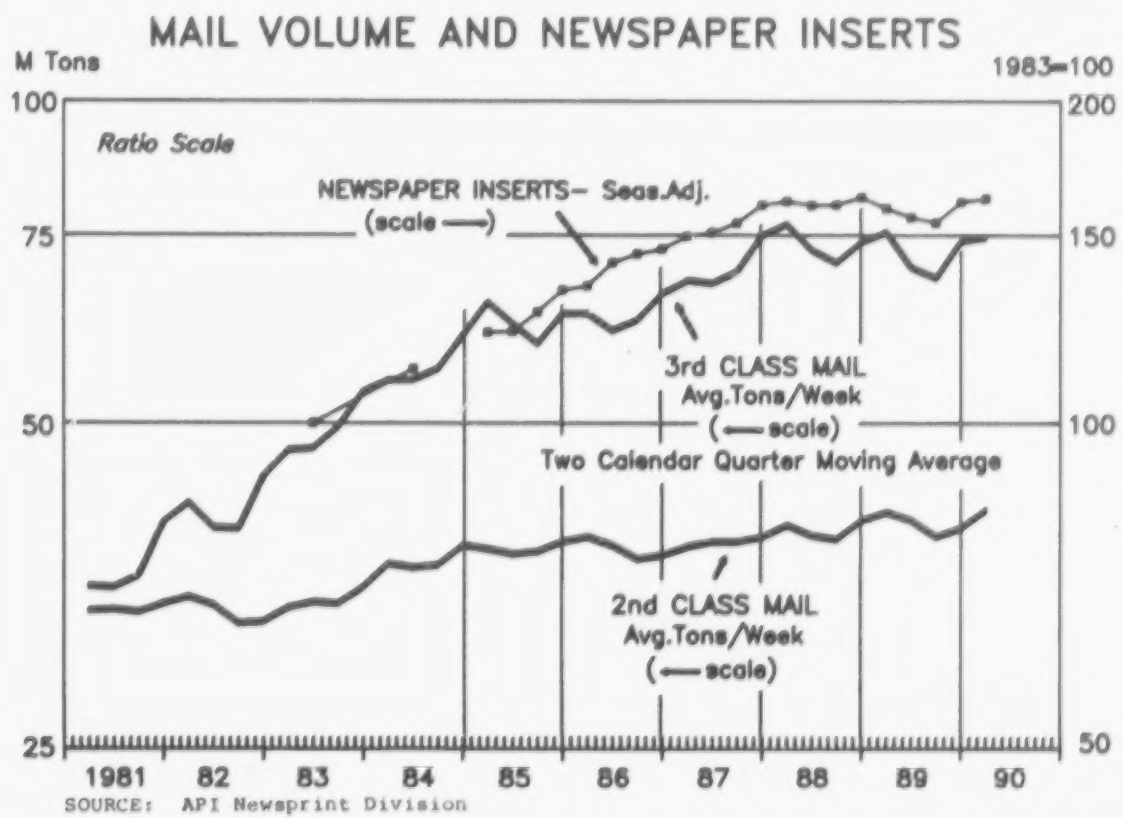
PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1990		MARCH 1990		APRIL 1990		Annual Rate YTD 1990	% Change from same Period
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	Last Year
Pulpwood, Roundwood (cubic meters)	137,617	3,475	43,039	3,948	30,237	1,364	449,703	349.2
Pulpwood Chips	4,357,811	388,154	340,730	30,475	287,113	26,196	3,927,642	-6.4
Total All Exports	19,633,606	9,803,945	1,756,341	946,423	1,710,720	914,359	19,143,352	2.7
Wood Pulp,Total	6,231,172	3,512,604	577,821	330,803	537,969	293,864	5,837,982	-7.8
Cotton Pulp and Other Pulp	122,046	100,510	8,851	8,741	8,935	8,073	100,302	-27.6
Waste and Old Paper	5,990,629	729,787	671,889	71,722	660,853	71,364	6,317,375	6.0
Paper, Board & Products,Total	8,299,798	4,261,036	697,880	436,158	615,983	443,036	8,887,983	10.9
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	5,259,733	2,982,696	507,216	301,030	532,193	311,526	5,851,821	12.7
Paper, Ppbd & Prod ex Cnet&WMB	6,293,491	4,246,277	597,114	434,625	615,098	442,277	6,878,700	11.4
Paper & Paperboard, Only	5,223,466	2,967,628	506,361	300,467	531,309	310,798	5,842,638	13.3
Paper, Total	1,495,752	1,233,527	128,852	121,724	130,184	122,147	1,617,222	8.8
Newsprint	624,796	367,381	39,731	20,233	46,780	23,826	524,964	-15.9
Printing & Writing	478,201	485,186	62,016	64,016	57,361	60,237	685,997	61.7
Uncoated Groundwood	66,056	64,796	6,024	6,987	6,340	6,949	74,004	-12.7
Clay Coated Paper	166,536	131,416	20,662	19,931	17,235	16,975	212,984	56.6
Uncoated Free Sheet	122,346	106,630	21,324	20,060	21,044	25,562	242,726	144.0
Other Printing & Writing	99,260	102,164	11,995	11,906	12,743	11,852	156,272	48.0
Total Pkg. & Other Paper	342,041	380,790	23,822	34,034	24,008	34,987	271,638	-17.1
Unbleached Kraft	125,616	80,318	10,189	6,252	10,361	6,295	110,727	-3.8
Other Pkg. & Indust. Paper	216,223	320,472	13,634	28,782	13,647	29,432	160,911	-24.4
Tissue	20,712	30,187	3,084	3,441	3,056	3,387	34,632	93.0
Paperboard, Total	3,757,704	1,734,402	377,699	179,773	401,123	188,621	4,325,616	16.1
Solid Wood Pulp	3,572,756	1,646,152	366,159	166,863	381,379	178,353	4,096,750	14.3
Total Linerboard	2,499,716	935,364	263,841	97,115	278,519	102,143	3,011,096	18.1
Bleached Kraft Linerboard	283,118	127,787	30,316	13,727	23,232	10,540	327,618	13.6
Unbleached Kraft Linerbd	2,216,603	807,578	233,525	83,388	256,288	91,603	2,683,488	18.8
Other Unbleached Kraft	246,575	113,316	17,961	9,640	27,823	16,060	271,625	14.2
Other Bleached Kraft	796,306	582,979	72,787	60,634	70,952	58,857	777,756	1.3
Semi-Chemical Corrugating	31,162	14,494	3,551	1,295	3,984	1,264	37,983	32.7
Recycled Paperboard	184,947	98,250	19,540	10,060	19,744	10,267	226,986	30.9
Convtd Paper&Paperbd Products	1,040,036	1,278,349	90,789	134,126	83,790	131,509	1,035,982	1.7
Paper Products, Total	473,436	632,606	37,251	63,944	36,361	64,066	414,486	-11.9
Paperboard Products, Total	566,601	445,543	53,513	60,134	48,429	47,454	621,373	13.4
Wet Machine Board	2,689	1,256	70	32	49	38	886	-66.2
Construction Paper & Board E	33,366	13,601	796	801	836	720	8,095	-77.5
Notes								
Other: No Weight Avail. ($000)		23,865		4,127		3,776	41,986	139.0
Total Exports Incl. Other($000)		9,827,811		950,550		918,132	9,296,162	8.9

SOURCE: Bureau of Census, U.S. Department of Commerce. E – Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1988	YEAR 1989	FEB 1990	MAR 1990	APR 1990	MAY 1990	Annual Rate Y-T-D 1990	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	124.8	132.4	133.3	133.2	133.4	132.9	133.2	1.3
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	123.8	132.0	133.0	132.9	133.2	132.8	133.0	1.5
Total Wood Pulp	136.7	157.4	160.3	158.0	154.3	152.8	157.1	1.8
Total Paper	123.2	129.6	127.5	127.4	127.8	127.9	127.7	-2.0
Writing Paper, exc. Newsprint	123.4	130.5	127.9	127.7	128.3	128.5	128.1	-2.5
Newsprint	127.6	122.5	115.1	115.3	115.1	115.0	115.5	-8.2
Total Paperboard	133.2	140.1	138.4	138.5	137.8	135.8	137.9	-1.7
Total Paper and Paperboard *	126.4	132.9	130.9	130.9	130.9	130.4	130.9	-1.9
Converted Products	123.0	131.7	134.6	134.6	135.6	135.4	134.9	3.9
Waste Paper	183.6	157.1	149.7	149.3	145.3	141.0	147.4	-7.0
All Commodities	106.9	112.2	114.4	114.2	114.0	114.5	114.4	2.5
Industrial Commodities	106.3	111.8	113.6	113.2	113.1	113.3	113.5	2.3

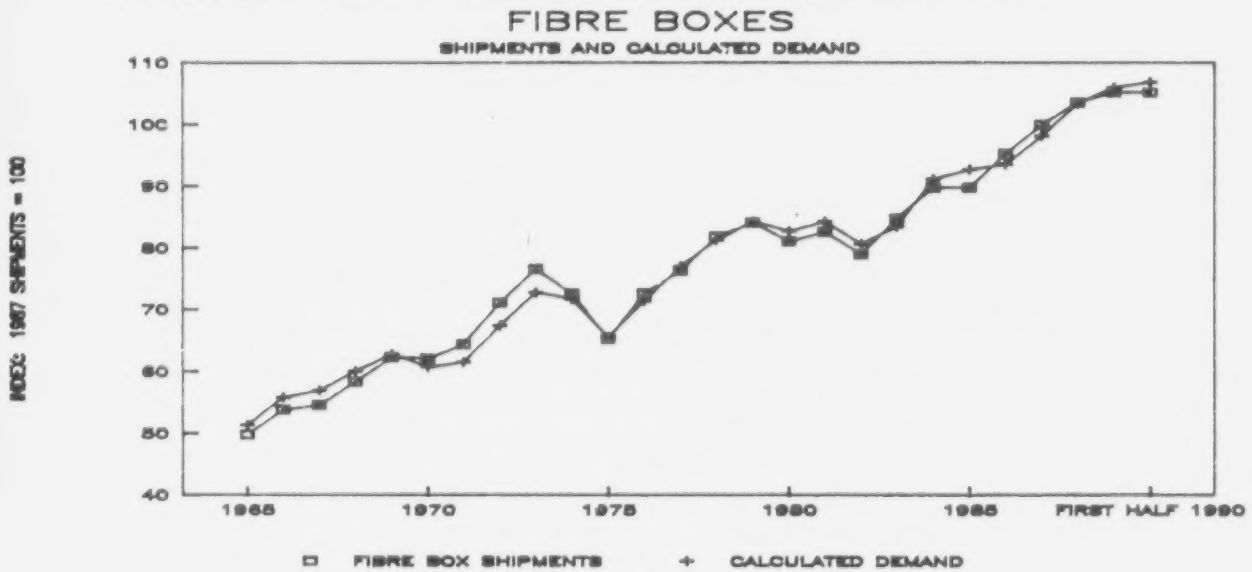
SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API



production. The level of unmade orders for bleached and recycled paperboard has been flat since the end of the third quarter of 1989, though there were noticeable fluctuations from week to week.

Demand For Fiber Boxes: The Economics department analyzed the relationship between fibre box shipments and total industrial production in the 1965-1989 period. A statistical analysis showed that over 98% of the total variation in box shipments can be "explained" in terms of industrial production. (See graph).

The chart below shows the index of fiber box demand calculated from the industrial production data together with the index of actual fiber box shipments. While the long-term relationship is close, and the maximum deviation between the fitted and actual levels are in the narrow range of -3.2% (in 1984) to +5.5% (in 1972), very small differences between the fitted and actual data in any given year are not statistically significant, suggesting, rather, that supply and demand are in balance. The larger deviations, however, do suggest users are building or depleting inventories.



Source: Fiber Box Shipments: Fiber Box Association
Calculated Demand: API analysis based on the Index of Industrial Production reported by the Federal Reserve Board
Indexes calculated by API

FIBROUS MATERIALS

World shipments of chemical paper grade market wood pulp to all major consumers were down from the levels posted in the first five months of 1989. Year-to-date U.S. shipments to Western Europe, however, matched last year's pace. Shipments to the domestic market fell 6%, while Japan wood pulp imports from the U.S. slid by 29%. Shipments to other markets were curtailed by 6%. Though U.S. shipments to all markets were off by 5% so far this year, Canada, Sweden and Finland all showed relatively larger declines in their shipments totals.

The U.S. chemical paper grade market wood pulp operating rate dipped again in May, to 87%, lowering the 1990 average to 93%. This was still several percentage points higher than the rates in Canada and Sweden. There was no major reversal in the trend of producers' inventories, with the total showing an up-tick, to 23 days of supply, at the end of May.

COMMERCIAL PRINTING PAPER MARKETS

Commercial printing paper demand benefited from rapid growth in advertising expenditures during the early and mid-1980's and the subsequent stability in the last half of that decade. In particular, advertising expenditures advanced from 1.96% of nominal GNP in 1980 to 2.41% in 1986, a relative increase of 23%! Advertising's share of current-dollar GNP rose fractionally in 1987 to 2.42%, held at that rate in 1988, and then eased to 2.39% in 1989. Preliminary indications suggest that advertising markets have maintained this position during 1990.

Some 60% of commercial printing output is geared to advertising. Key advertising-related markets served by commercial printers include newspaper inserts, catalogs, and direct mail advertising materials. Newspaper inserts lineage, based on a sample drawn from four major publishing firms, declined a moderate 1.5% in 1989, following strong gains of 12.2% in 1986, 8.6% in 1987, and 4.6% in 1988. Seasonally-adjusted inserts advanced significantly during the fourth quarter of 1989 and moved further upward during the initial three months of 1990 (see chart on page 10). An estimated 2.2 million tons of communications paper (mainly coated papers, uncoated groundwood and newsprint) were used to produce inserts in 1989.

Third class mail, largely direct mail advertising, is another important advertising-related market for commercial printers. Although third class mail volume typically declines or levels off immediately after a rate hike and then returns to a positive growth path approximately two quarters later, its volume remained essentially level after the April 1988 postage rate increase (see chart on page 10). Other factors, such as generally stable advertising markets and possible market saturation with respect to cents-off-coupons, may have also constrained growth.

In addition to the items that were mentioned above, commercial printers also produce labels and wraps, financial documents, and a wide range of miscellaneous products, such as calendars, tickets, maps, cards, and stamps. The Commerce Department reports that inflation-adjusted shipments of labels and wraps was up a healthy 4.5% in 1989, with much of the expansion attributable to pressure sensitive labels used on plastic containers. Total inflation-adjusted shipments of commercial printers gained 2.4% in 1989, a bit slower than the 4.8% rise posted in 1988.

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 68, NO. 5
JUNE, 1990

PRODUCTION (000 TONS)

	(P) MAY 1990	(R) APR 1990	MAY 1989	FIRST 5 MONTHS 1990	FIRST 5 MONTHS 1989	% CHANGE YR TO DATE 1990/1989
PAPER GRADES						
Newsprint	545	541	504	2,692	2,468	9.1
Printing & Writing	1,835	1,820	1,793	9,262	9,010	2.8
Uncoated Groundwood (s)	144	155	144	748	723	3.5
Coated Paper (s)	621	567	580	3,024	2,920	3.5
Uncoated Free Sheet Paper (s)	938	971	938	4,818	4,707	2.3
Thin Paper (s)	22	23	22	114	108	6.0
Cotton Fiber Paper (s)	14	13	14	69	70	-0.9
Bleached Bristols (s)	95	92	95	489	483	1.4
Tissue Paper	494	467	474	2,386	2,330	2.4
Total Pkg & Other Paper	406	378	384	1,944	2,035	-4.5
Unbl. Kraft Paper (s)	206	187	206	989	1,109	-10.8
Other Paper	200	191	178	955	926	3.2
TOTAL PAPER	3,279	3,207	3,154	16,283	15,843	2.8
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,683	1,627	1,681	8,248	8,107	1.7
Unbleached Kraft Linerboard	1,567	1,533	1,560	7,733	7,568	2.2
Other Unbl. Kraft Paperboard	116	94	121	515	539	-4.3
Semichemical Paperboard	499	466	469	2,370	2,378	-0.3
Bleached Paperboard	366	378	383	1,871	1,849	1.2
Recycled Paperboard	741	731	757	3,664	3,720	-1.5
TOTAL PAPERBOARD	3,289	3,202	3,289	16,154	16,053	0.6
TOTAL PAPER AND PAPERBOARD	6,568	6,409	6,444	32,437	31,896	1.7

WOOD PULP (ALL GRADES)	APR 1990	MAR 1990	APR 1989	FIRST 4 MONTHS 1990	FIRST 4 MONTHS 1989	% CHANGE YR TO DATE 1990/1989
Dissolving & Special Alpha	98	123	106	434	476	-8.7
Bleached Sulfite)	133	127	134	524	530	-1.2
Unbleached Sulfite)						
Bleached & Semi-Bl. Sulfate	2,287	2,297	2,288	9,143	9,086	0.6
Unbleached Sulfate	1,802	1,852	1,785	7,297	7,206	1.3
Semichemical	396	365	368	1,490	1,479	0.8
Groundwood & Thermomechanical	536	509	511	2,103	1,968	6.9
TOTAL PULP DIVISION DATA	5,253	5,272	5,189	20,992	20,745	1.2

(s) - Shipments
P - Preliminary
R - Revised

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

INDUSTRY DATA JUNE 30, 1990	1990	1989	1990	1990 R	1990 P	AN PATE Y-T-D 90	% CH/ SAME PD 89
PAPER AND PAPERBOARD — Tons (000)			Mar	Apr	May		
Total Production (API)..... excluding	76,466	76,846	6,981	6,409	6,586	77,849	1.7
Total Seasonally Adjusted..... construction			6,401	6,537	6,492	77,712	1.7
Imports (including Products)..... and wet E	12,788	12,910	1,152	1,131	1,141	13,368	3.1
Exports (including Products)..... machine E	5,589	6,284	587	615	606	6,962	9.5
Apparent Consumption..... grades	83,694	83,292	6,966	7,053	7,025	84,253	1.8
Paper Production % Tonnage Capacity	86.4 g	86.4	86.8	88.7	91.1	89.2	-
Paperboard Production % Tonnage Capacity	94.8 g	96.5	94.1	95.4	96.0	96.3	-
PAPER, PAPERBOARD AND PRODUCTS			Feb	Mar	Apr		
Imports.....Including Construction and	13,110	13,101	1,043	1,162	1,142	13,410	3.2
Exports..... WMB Grades (excl. HPB)	5,891	6,300	500	596	616	6,866	10.9
MARKET WOOD PULP PRODUCTION – Tons (000)	5,595	5,894	575	727	675	5,537	-5.8
TOTAL WOOD PULP PRODUCTION – Tons (000)	61,161 f	61,899 f	4,999	5,272	5,253	62,979	1.2
WOOD PULP IMPORTS – TONS (000)	5,059	5,005	425	429	418	5,052	-1.8
WOOD PULP EXPORTS – TONS (000)	5,539	6,231	410	578	536	5,539	-7.9
RAW MATERIALS CONSUMPTION – Tons (000)							
PAPER AND BOARD MILLS..... excluding			Feb	Mar	Apr		
Wood Pulp..... consumption for	60,294	60,727	4,987	5,181	5,211	61,827	1.4
Waste Paper..... construction &	19,021	20,010	1,617	1,805	1,739	20,783	5.8
TOTAL..... WMB grades	79,315	80,737	6,504	6,966	6,950	82,610	2.5
PULPWOOD CONSUMPTION Cords (000) Amer. Pulpwd. Assn	95,497	98,414	8,106	8,341	8,260	98,786	2.6
EMPLOYMENT (000)			Mar	Apr	May		
Paper and Allied Products.....Total	662.6	667.2	663.9	664.9	666.3	664.4	0.3
Pulp, Paper and Board Mills.....Total E	247.2	247.1	246.0	246.1	246.3	246.4	0.6
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)			Mar	Apr	May		
Paper and Allied Products	11.86	11.93	12.13	12.27	12.27	12.19	3.0
Pulp, Paper Mills..... E	14.31	14.71	14.99	15.25	15.15	15.06	3.6
Paperboard Mills..... E	14.49	14.76	14.97	15.18	15.31	15.08	3.6
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1989 Q3	1989 Q4	1990 Q1		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$) *	11.36	15.69	15.62	17.69	18.00	17.72	12.9
INDEX OF OUTPUT PER MAN-HOUR (1977=100)			Mar	Apr	May		
:IN PULP, PAPER :....Production Workers	146.0	146.6	149.2	146.5	147.1	148.3	0.2
:AND BOARD MILLS:....All Employees	142.9	143.5	145.3	144.1	144.2	146.1	0.2
PAPER AND ALLIED PRODUCTS (Million $)			Feb	Mar	Apr		
Industry Shipments (Dept. of Commerce) *	127,718	130,501	10,767	10,965	10,801	129,699	-0.8
Pulp, Paper and Paperboard *	57,177	57,700	4,818	4,727	4,559	55,305	-5.2
Inventories (End of Period) - Total Industry *	12,098	12,571	12,899	12,849	12,851	12,851	5.9
Pulp, Paper and Paperboard *	4,325	4,990	4,979	4,954	5,000	5,000	8.6
PAPER AND ALLIED PRODUCTS COMPANIES (Million $)			1989 Q3	1989 Q4	1990 Q1		
Sales (Corporations Only)	107,221	113,573	28,456	28,881	28,534	114,136	3.4
Earnings (Corporations Only)	8,091	7,047	1,872	1,160	1,389	5,556	-30.5
Depreciation (Corporations Only)	4,625	5,010	1,200	1,301	1,347	5,386	12.3
Net Worth (Corporations Only)	42,940	45,642	46,246	45,642	48,519	48,519	10.7
PRICE INDEXES (Bureau of Labor Stats)1982=100			Mar	Apr	May		
Pulp, Paper & Products, ex. Building Grades	124.8	132.4	133.2	133.4	132.9	133.2	1.3
Wood Pulp	136.7	157.4	158.0	154.3	152.8	157.1	1.8
Waste Paper	163.6	157.1	149.3	140.3	141.0	147.4	-7.0
Paper	123.2	129.6	127.4	127.8	127.9	127.7	-2.0
Paperboard	133.2	140.1	136.5	137.8	136.8	137.9	-1.7
PAPER DEMAND (INDEXED: 1987=100)			Mar	Apr	May		
Total Paper Production *	103.9	103.4	103.5	106.4	107.4	106.1	2.9
Paper New Supply *	103.8	102.2	103.9	105.5	106.7	105.1	2.9
Demand Indicators - (Weighted Average) *	103.8	108.1	110.4	110.2	110.6	110.4	2.5
Production of Nondurable Goods..... * ....(21.2%)	103.6	108.4	107.3	107.8	107.9	107.8	1.5
Disposable Income..... * ....(23.9%)	104.4	108.6	110.8	110.8	110.8	110.5	2.7
Total Printing and Publishing..... * ....(54.9%)	103.8	108.6	111.5	110.9	111.6	111.4	2.8
PAPERBOARD DEMAND (INDEXED: 1987=100)							
Total Paperboard Production *	101.7	102.6	103.2	104.7	102.2	103.0	0.5
Production for Domestic Use	102.0	102.7	101.4	104.3	100.9	101.8	-0.5
Demand Indicators - (Weighted Average) *	104.7	107.2	107.9	107.9	108.5	107.8	0.4
Production of Consumer Goods..... * ....(82.08%)	104.0	106.6	107.8	107.4	108.0	107.2	0.5
Production of Equipment..... * ....(5.75%)	107.5	112.3	114.9	114.8	116.3	114.2	2.5
Production of Materials..... * ....(32.19%)	105.6	107.4	107.2	107.5	108.0	107.2	-0.2
MARKET DATA			Feb	Mar	Apr		
Consumption by Publishers - Tons (000)	13,497	13,493	1,025	1,167	1,141	13,195	0.2
Newspaper Pub. and Printing Empl. Total(000)	475	478	481	481	480	481	1.0
Magazine Advertising Pages (PIB, Inc.)	172,580	178,476	13,850	15,144	16,798	168,538	-3.2
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	52,377	56,803	3,936	4,536	4,186	51,147	-5.8
Inventories (End of Period)	4,436	4,508	4,050	4,103	4,021	4,021	-12.1
FIBRE BOX DATA (Fibre Box Association)			Mar	Apr	May		
Fibre Box Shipments (Million square feet)	308,507	313,400	26,880	26,622	27,219	317,544	0.9
Container'bd Inventory at Mill & Plant (000 Tons)	2,553	2,588	2,626	2,593	2,535	2,536	1.6
RETAIL TRADE (Billion $)			Mar	Apr	May		
Total Retail Sales *	1,622	1,711	149.3	147.9	148.8	1,786	5.8
Nondurable Goods Stores Sales *	996	1,062	94.6	94.2	93.7	1,130	6.2
GENERAL ECONOMIC DATA			Mar	Apr	May		
TOTAL INDUSTRIAL PRODUCTION (INDEX 1987 = 100) *	106.4	108.1	109.0	109.0	109.7	108.7	0.7
PRODUCER PRICES (ALL COMMODITIES) (INDEX 1982=100)	108.9	112.2	114.2	114.0	114.5	114.4	2.5
CONSUMER PRICES (ALL ITEMS-URBAN CON.) (1982-4=100)	118.3	124.0	128.7	128.9	129.2	128.4	5.0
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions$)			1989 Q3	1989 Q4	1990 Q1		
G.N.P. or Expenditure - Current $	4,881	5,234	5,281	5,340	5,431	5,431	6.2
G.N.P. or Expenditure - 1982 $	4,024	4,144	4,163	4,174	4,188	4,188	2.0
PAPER AND PAPERBOARD CONSUMPTION - POUNDS PER CAPITA	677	667				673	

f - Wood Pulp Prod exc del., exple & scr. g - Adj for holiday shutdowns R - Revised E - Last month estimated by API Y - Full year estimated by Dep't of Commerce * Seasonally Adjusted